

**CONFIDENTIAL**

7 July 1959

MEMORANDUM FOR THE RECORD

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Senator Saltonstall called the Director and began the conversation by stating that they were in the full Appropriations Committee on Defense, and then referred to Mr. Dulles' letter to Senator Hayden of June 24, in which it is requested that

[redacted] be included in the Fiscal Year 1960 budget estimates of the CIA, in order to provide for the continuation of basic research and analysis activities. Senator Saltonstall said he had talked this over with Senator Hayden and Senator Russell, and asked "what is the meaning of 'basic research and analysis activities'?" The Director said that is what we call the National Intelligence Survey - - it is a basic survey of all the countries of the world and contains all the intelligence on them. He said these surveys are kept up to date currently so as to be available for ready reference, contain much useful information, and are very important documents. He referred specifically to the case of Lebanon.

Senator Saltonstall asked why this was so secret, and said he feared if this additional amount had to be put into what they had already allocated, the matter would have to be brought up before the full committee and CIA's entire budget would probably be discussed. He asked if this amount could not be taken from the CIA reserve this year, and then other arrangements be made for next year. Mr. Dulles said that would mean reducing our reserve which is already fairly low, but that he would take Senator Saltonstall's judgment, and would rather not have the CIA budget before the full committee. Senator Saltonstall said he would talk it over with Hayden and Russell, but that his suggestion would be that it be taken out of our reserve. Mr. Dulles repeated that he would take the Senator's judgment, and with this the conversation ended.

AT/mt

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